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CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 21 November 1965

INTELLIGENCE MEMORANDUM

The Indonesian Situation (Report #67 - As of 4:00 PM EST)

- 1. President Sukarno met in closed conference with ranking Indonesian army officers, cabinet members, and ministers of Bogor Palace on 20 November, following an earlier meeting attended by foreign and domestic newsmen.
- 2. Although a major policy pronouncement was expected during the open meeting, with most speculation centering around a possible decision to ban the Indonesian Communist Party (PKI), none was forthcoming. Instead, Sukarno repeated themes expressed earlier and appeared cautiously determined to reassert himself and to keep Indonesia on essentially the same course that it pursued prior to the abortive coup of 30 September.
- 3. President Sukarno stated emphatically that Indonesia retains its membership in the "anti-imperialist axis" which binds together Communist China, North Korea, North Vietnam, and Cambodia. The initial public announcement of Indonesia's membership in the axis was made during Indonesia's Independence Day celebration on 17 August.
- 4. Only hours before the Bogor meeting, there were strong indications that Sukarno would announce the banning of the PKI. Following a meeting with the President, the Deputy House Speaker, Mochammad Sachu, declared that the abolition of the Peiping-oriented PKI was only a matter of time because of

complicity in the 30 September coup attempt. During the morning meeting at Bogor Palace, however, Sukarno gave no indication that he is contemplating such action. Instead, he tediously defended the PKI against newspaper charges of having committed mass murders, bloodshed, and violence.

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- Now unable to control and manipulate the press as he did prior to 30 September, Sukarno warned Indonesian newsmen that they faced imprisonment if they reported falsehoods and incited the Foreign newsmen were threatened with populace. expulsion from the country if they deviated from the reporting of facts. Sukarno also alluded to some newspaper criticisms of Cambodia and North Vietnam, and warned that newspapers offering such criticisms of Indonesia's friends would be banned if they persisted. Possibly forewarned that Sukarno might impose press restrictions, "hundreds of thousands" of Indonesian Moslem, Christian, and Catholic demonstrators held a public rally in Djakarta and demanded that no curbs be imposed on the freedom of the press.
- 7. Although no detailed reports have been made on the closed-door conference, it appears that Sukarno, as before, appealed to his military commanders to remain united behind him to insure the successful conclusion of the Indonesian revolution which, perhaps significantly, he insisted was leftist but not Communist. Foreign Minister Subandrio, who attended the private meeting and whose expulsion from the government is being sought by the army, reported that Sukarno warned of a national collapse if a split occurred from within.

8. The army drive against the PKI is continuing unabated, amidst daily disclosures of PKI atrocities and of the surrender of large numbers of PKI members and their adherents. At the same time, there are indications that the army is encountering financial difficulties because of the expenses involved in its broad operations against the PKI and in providing its prisoners with the necessities of life.